

Attachment B

Pages 1 - 23

Sears Denver/IBEW Local 111 Negotiations
Tentative Agreement
January 24, 2013

The parties agree that the attached document titled "January Tentative Agreement - January 24, 2013" comprises the full Tentative Agreement between the parties.

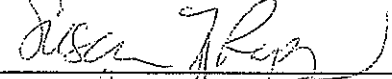

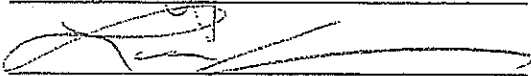
TENTATIVE AGREEMENT REACHED 1/24/13:


SUSAN RAPP
Director, Labor and Associate Relations
Sears

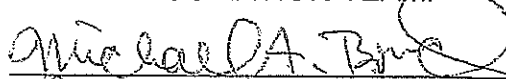

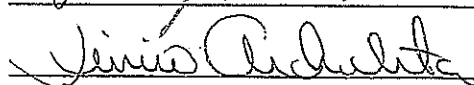

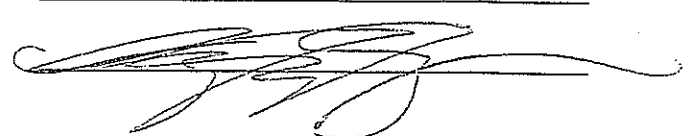

MICHAEL BYRD
Business Manager/Financial Secretary
IBEW, Local 111

FULLY RECOMMENDED FOR RATIFICATION:

COMPANY NEGOTIATION TEAM:

UNION NEGOTIATION TEAM:

SEARS, ROEBUCK AND CO.

LOCAL MANAGEMENT

DENVER PRODUCT REPAIR SERVICES,

AND

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS

LOCAL 111

TERM:

February 15, 2013 through February 14, 2016

AGREEMENT

This Agreement is made and entered into this 15th day of February, 2013, by and between Sears, Roebuck and Co., Northglenn, CO. Product Repair Services District (herein after referred to as "Company" or "Sears") and the International Brotherhood of Electrical Workers Local 111 - AFL-CIO (herein after referred to as the "Union") establishing the rates of pay, hours of work and conditions of employment for the bargaining unit set forth below.

As a result of a series of conferences and collective bargaining between the management of Sears, Roebuck and Company and the International Brotherhood of Electrical Workers Local 111, the Company and the Union have reached the following Agreement:

ARTICLE I RECOGNITION

Section 1. Recognition

The Company recognizes the Union as the exclusive representative of all full-time and regular part-time technicians, support associates, customer service associates, shipping and receiving associates and support specialist II employees employed by the Employer in its District 8181; EXCLUDED: all gas repair center employees, office clerical employees, confidential employees, managerial employees, guards and supervisors as defined in the Act.

Section 2. Non-Discrimination

The Company and the Union agree there shall be no discrimination because of race, color, religion, creed, national origin, military or reserve status, disabled veterans or a veteran of the Vietnam era, age, sex, sexual preference or orientation, mental or physical disability or union affiliation or any other characteristic protected by law or activities in the application of any provisions of this Agreement.

It is expressly understood between the parties to this Agreement that actions taken in compliance with mandated Affirmative Action legal obligations imposed the Company by virtue of its status as a Government Contractor shall not constitute a violation of this Agreement

The use of sex designating pronouns in this Agreement shall not be deemed or construed as an expression of preference based on sex, and the provisions of this Agreement shall apply equally without regard to sex.

There shall be no discrimination on the part of the Company or the Union, or its officers, members, representatives or agent, against any employee of membership or non-membership in the Union.

No employee shall be subjected to prejudice or discrimination because of action taken by representatives or the Union in presenting grievances instituted for or by such employee under the provision of this Agreement.

Neither the Union, nor its officers, members, representatives or agents, will intimidate or coerce employees into joining or continuing their membership in the Union.

Section 3. Exclusive Representation

The Company agrees not to recognize, deal with or enter into contractual relations, either orally or written, with any other labor organization concerning rates of pay, hours, or other terms or conditions of employment for any technicians/associates covered by this Agreement.

Section 4. Notice of Representation

At the time of hiring the Company agrees to notify all technicians/associates covered by this agreement that the Union is the exclusive bargaining agent for technicians/associates in the classification of work in which the employee is being employed.

Section 5. Subcontracting

The right to transfer or subcontract any type of bargaining unit work shall be vested exclusively with the Company, provided as there are no qualified technicians/associates on layoff. The Company reserves the right to subcontract out work in nonproductive zip codes and capacity areas by industry, and when backlogs exceed three (3) days.

Section 6. Bargaining Unit Work

Work normally performed by bargaining unit employees may be performed by non-union employees so long as no member of the bargaining unit suffers an involuntary loss of regular hours of work.

ARTICLE II MANAGEMENT RIGHTS

Except as clearly and specifically limited by an express provision of this Agreement, the Company exclusively reserves and retains all of its inherent rights to manage and operate the business and to direct its work force in accordance with its own judgment and discretion.

Without limiting the generality of the foregoing, the management rights include, but are not limited to: the right to promulgate or modify reasonable rules or regulations, the right to hire, discipline, suspend, demote or discharge for cause; the right to promote, transfer or layoff employees for lack of work or for other legitimate reasons; the right to establish, administer, and revise the standards of work performance and technician/associate productivity and to establish, maintain, and revise training programs; the right to alter, limit or curtail operations or any part thereof, including the right to change, abolish or add new jobs, and to add, relocate, modify or close its operations, including any part, department, branch, scheduled group or geographical area thereof; to determine and modify the layout, machines, and equipment, as well as the processes, techniques, methods, materials and means to be used, in all aspects and phases of the business; to determine the size and composition of the workforce, including the number of full time and part time personnel; to determine when overtime work is needed and require bargaining unit work employees to perform such work and to enforce all such unit rules; to discontinue, transfer, or subcontract processes, operations, departments, branches, and geographical areas in whole or in part; to discontinue the performance by technicians/associates covered by the Agreement, and to contract out any and all such operations, departments, branches, and geographical areas; to transfer, sell and otherwise dispose of its business in whole or in part; to determine, and from time to time, re-determine, the number of hours per day or per week the operation shall be carried on; to select and to determine, and from time to time re-determine, the number and types of technicians/associates, as well as the skills and qualifications of those technicians/associates that are required; to establish or eliminate classifications; to assign work to such technicians/associates in accordance with the requirements determined by management; to establish and change work schedules and assignments, including but not limited to the routing of technicians/associates; to assign work and realign work categories to other business groups

outside of the collective bargaining unit; and further, to otherwise take such measures and actions as management may decide are necessary for the orderly or economical operation of the Company's business. It is understood that the exercise or non-exercise of rights, hereby retained by the Company shall not be deemed a waiver of any such rights or prevent the Company from exercising such rights in any way in the future.

ARTICLE III NO STRIKE – NO LOCKOUT

Section 1. The Company's decision to close down any location currently covered by this agreement, or any combination thereof, for business reasons shall not be construed to be a lockout. The Company agrees that so long as this Agreement is in effect and there has not been a breach of the remainder of this Article, there shall be no lockouts.

Relevant Attachment B

Section 2. It is therefore understood and agreed by the Union, its officers, agents, employees, representatives, stewards, members and all technicians/associates covered by this Agreement and the Company, that in the best interests of both parties, there shall be no strikes, slowdowns, sympathy strikes, work slowdown, work stoppages, interruption of production or suspension of work, refusals to perform work, boycotts, labor holidays other than those provided in this Agreement, continuous meetings or concerted mass sickness, picketing, or any other denial of services or any other activity which would interfere with the Company's operations in any manner or the provision of service to its customers or any other stoppages of work whatsoever during the period this Agreement is in force (hereinafter "work stoppage").

Section 3. The Union, its officers, agents, employees, representatives, stewards, members and all technicians/associates covered by this Agreement agree that if any acts, conduct or withholding of services prohibited by this Article occur or are threatened, they shall take all reasonable and necessary steps to prevent and stop any and all such interferences by persons subject to this Agreement. This includes, but is not limited to, acts which authorize, instigate, cause, aid, encourage, support or condone such conduct or threats of same.

Section 4. Any technician/associate subject to the terms of this Agreement who violates this Article may be terminated. Such termination may be subject to the grievance procedure.

ARTICLE IV DISCIPLINARY PROCEDURE

Section 1. Cause

- (a) Technicians/Associates may be disciplined and/or discharged for cause.
- (b) Employees may be subject to discipline or discharge without following the progressive disciplinary procedure set forth below, for serious violations of Company Policies, Procedures or Rules of Conduct, including but not limited to insubordination, including failure to obey a direct instruction of a supervisor, directing obscene and/or abusive language to a manager, supervisor, customer or fellow associate, immoral, indecent or violent conduct, dishonesty, including misrepresentation of facts in connection with any claim concerning employment or pay, theft of Company property, possession of illegal drugs or alcohol, being under the influence of illegal drugs or alcohol, or taking illegal drugs or drinking alcoholic beverages during working hours (working hours include breaks and meal periods) or on Company property, or being intoxicated on Company property, willful destruction of Company property or the property of another associate or customer, supplier or carrier serving the Company, unprovoked assault on any person during working hours or on Company premises or at customers home, intentionally driving a Company vehicle

without a valid drivers license, or a history of contributing to accidents while driving a Company vehicle.

Section 2. Discipline

Substandard performance or acts or omissions not warranting immediate discipline, up to and including discharge, may be handled through a schedule of progressive discipline as follows:

1st Interview

Interview and discussion conducted by the technician's/associate's direct supervisor or manager and a Union Representative with a verbal warning covering the discussion.

2nd Interview

Interview and discussion conducted by the technician's/associate's direct supervisor or manager and a Union Representative. This shall include a verbal and written memo covering the discussion.

3rd Interview

Interview and discussion conducted by the technician's/associate's direct supervisor or manager and a Union Representative. This shall include a verbal and written memo covering the discussion and a suspension from scheduled work up to five (5) days with out pay.

4th Interview

Termination.

Section 3. Substandard Performance

Technician's/Associates' performance will be evaluated by management each month, semi annually or annually depending upon their work classification through the Employee Performance Review process. Technicians/Associates whose performance is substandard will be subject to the above process with the understanding that improvement must be sustained for three (3) months.

ARTICLE V ATTENDANCE PROGRAM

A majority of technicians/associates are dedicated to their customers and their team of fellow technicians/associates and will make a good faith effort to be at work on time as scheduled. Technicians/Associates will abide by the terms of the National Sears Attendance Policy, which may be amended from time to time without further negotiations between the parties. Technicians/Associates will be informed of occurrences within seven (7) days of absence via SST or text message.

ARTICLE VI UNION REPRESENTATION

Section 1. Designation

The Union shall have the right to designate five (5) Stewards (one for the North, one for the

Metro, one for the South, one in Wyoming and one Chief Steward over all areas) and shall notify the Company who the Stewards are at all times.

Section 2. Conduct

1. Stewards will be authorized to investigate, process and adjust grievances. such activity shall be without pay and conducted on non-work time unless authorized by the District Service General Manager or their designee. In performing such activity, the steward shall conduct himself in such a manner as to cause a minimum of disruption of the Company's operation and service to its customers.
2. When authorized to conduct such activity during work time, stewards will not suffer any loss of pay. If more than one Steward is required, the Union will compensate any additional Stewards.

Section 3. Union Business Meetings

If the Union requests a shop steward time away from work to attend a conference or training opportunity offered by the Union, the request will be granted provided the duration does not exceed seven (7) consecutive days and proper notification is given to management. The request may be denied if it would have an adverse impact on customer service due to business needs. The time off will be unpaid and granted with no loss of seniority.

Section 4. Seniority List

There shall be separate seniority lists for the Full-time, Full-time Advantage, and Part-time Technicians/Associates by scheduled groups per Exhibit C. Updated seniority lists will be mailed to Technicians/Associates once a year each July and Technicians notified of said list via an SST message.

ARTICLE VII GRIEVANCE AND ARBITRATION PROCEDURE

Section 1. Grievance Procedure

A grievance is defined as any dispute arising under and during the term of this Agreement involving the application or interpretation of a specific provision of this Agreement or a claimed violation of a specific provision of this Agreement.

All grievances shall be processed in the following manner and every effort shall be made by the parties to secure the prompt disposition thereof.

Section 2. Grievance Steps

Step 1.

Any technician/associate having a grievance shall orally (documented) present the grievance to his supervisor or manager no later than seven (7) calendar days after the event giving rise to the grievance, or seven (7) calendar days after the technician/associate should reasonably have learned of the event giving rise to the grievance. The supervisor shall orally (documented) respond to the technician/associate not later than seven (7) calendar days thereafter.

Step 2.

If the supervisor or manager fails to respond or the grievance is not settled at Step 1, the technician/associate and/or his Steward, have five (5) calendar days to submit a written grievance to their supervisor or manager. Within five (5) calendar days of receipt of the grievance, the supervisor or manager shall give his written response to the grievant.

Step 3.

If the grievance is not settled in Step 2, the Union has ten (10) calendar days from receipt of the Step 2 answer to submit a written appeal to the District Service General Manager or their designated representative. Within ten (10) calendar days thereafter, a conference shall be held between the Company, the Steward at the affected location, and the business agent of the Union. The Company shall provide its written answer within ten (10) calendar days following such conference. The parties may by mutual agreement extend the response time, provided such extension is in writing and signed by both parties. The Third Step answer to the grievance shall be final and binding on the technician/associate, the Union and the Company unless timely appealed to arbitration in accordance with the procedures set forth in Step 4 below.

Step 4.

In the event the grievance is not settled at Step 3, either party may submit the grievance to binding arbitration within twenty one (21) calendar days of the written Step 3 response to the grievance by submitting such request in writing to the Federal Mediation and Conciliation Service (FMCS) with a copy to the other party. Failure to provide a copy of the request to the other party shall deem the matter waived for further processing. The parties will follow the procedures of the FMCS regarding the selection of an arbitrator through a panel(s) of arbitrators.

Section 3. Written Presentations

All grievances presented at Step 2 above shall state: The nature of the action giving rise to the grievance, the specific section of the contract violated, the names of the aggrieved technician(s)/associate(s); and the remedy sought. All grievances at Step 2 and appeals at Step 3 of the procedure set forth in this Agreement shall be signed and dated by the aggrieved associate and his Steward or Union official. All written answers submitted by the Company shall be signed and dated by a Company representative.

Section 4. Time Limitations

The time limitations set forth in this Article are of the essence of the Agreement. The Company shall accept no grievance unless it is submitted or appealed within the time limits set forth above in this Agreement. If the grievance is not timely submitted at Step 1 or Step 2, it shall be deemed waived. If the grievance is not timely appealed to Step 3, it shall be deemed to have been settled in accordance with the Company's Step 2 answer. If the Company fails to answer within the time limits set forth in this Agreement, the grievance shall be denied. The parties may mutually agree to extend the time limitations herein, provided such extension is in writing and signed by both parties.

Section 5. Arbitrator's Jurisdiction

The jurisdiction and authority of the Arbitrator and his opinion and award shall be confined exclusively to the interpretation and/or application of the express provision(s) of this Agreement. He shall have no authority to add to, detract from, alter, amend or modify any provision of this Agreement. The Arbitrator's written decision shall be due within sixty (60) days after all evidence including legal briefs, if any, are submitted.

The Arbitrator shall not hear or decide more than one (1) grievance without the mutual consent of the Company and the Union. The written award of the Arbitrator on the merits of any grievance adjudicated within his jurisdiction and authority shall be final and binding on the aggrieved employee, the Union and the Company. With respect to Arbitration involving the layoff, discipline or discharge of technicians/associates, the Arbitrator shall have the authority to order the payment of back wages and benefits the technician/associate would otherwise have received but for his discipline or discharge (less compensation, including Unemployment Compensation payments and other compensation earned elsewhere during the period attributable to the layoff, discipline or discharge in issue). The Arbitrator shall have no authority to award compensatory or punitive damages.

Section 6. Expenses/Fees

The expenses and fees of the Arbitrator for the arbitration, if any, shall be borne by the losing party as designated by the Arbitrator in the award. The expenses and fees of any room facilities for the arbitration, if any shall be borne equally by the parties. The cost of the transcript of the hearing, if any, shall be paid by the party ordering it, if both parties desire it, the cost shall be shared equally. Any party refusing to pay an equal share of the transcript will not be privy to a copy. Each party shall make arrangements for and pay the witnesses who are called by them, or any other expenses borne by either party.

ARTICLE VIII PROBATIONARY PERIOD

All newly hired associates, including full-time technicians/associates, full-time Advantage technicians/associates and part-time technicians/associates and any technicians/associates who are re-hired shall be considered as probationary technicians/associates for a period of one hundred twenty (120) calendar days of continuous service following their most recent or last date of hire. During this probationary period, such technicians/associates may be transferred, laid off or terminated at the sole discretion of the Company and they shall not have access to or rights under the grievance procedure.

Upon the hiring of any new technician/associate, notice of such hiring shall be promptly given to the Union and shall contain the name, classification and rate of pay of such newly hired technician/associate.

ARTICLE IX CLASSIFICATION OF TECHNICIANS/ASSOCIATES

Section 1. Full-Time Technicians/Associates

A full-time associate is an associate who has completed his probationary period and is scheduled to work up to 40 hours per week. The scheduled pay week shall begin on Sunday and end on Saturday.

Section 2. Full-Time Advantage Technicians/Associates

A full-time Advantage technician/associate is an technician/associate who has completed his probationary period and is scheduled to work thirty (30) hours or more in a workweek. At management's discretion, such technicians/associates may occasionally be scheduled up to forty (40) hours per week according to the needs of the business. The scheduled pay week shall begin on Sunday and end on Saturday.

Section 3. Part-time Technicians/Associates

A Part-time technician/associate is an technician/associate who has completed his probationary period and is scheduled to work up to twenty-nine (29) hours in a workweek. At management's discretion, such technicians/associates may occasionally be scheduled up to forty (40) hours per week according to the needs of the business. The scheduled pay week shall begin on Sunday and end on Saturday.

ARTICLE X HOURS OF WORK AND OVERTIME

Section 1. Hours of Work

A. Introduction. This Article is intended to set out the regular hours of work, to define how overtime is assigned and paid, and shall not be construed as a guarantee of any specified number of hours of work per day or per week. Technicians/associates will be paid for all hours actually worked. If it becomes necessary to institute a regular Sunday schedule for technicians/associates, the Company will notify the Union so the parties can bargain the affects.

B. Normal Work Week. A workweek shall normally consist of eight (8) hours a day, five (5) days a week, or forty (40) hours a week for full-time technicians/associates. The normal workweek shall be defined as Monday through Saturday. All technicians/associates will be expected to work Mondays or Saturdays (depending on their normal schedule) as designated by the Company, whether regular schedule or scheduled overtime. Full time Advantage technicians/associates and part time technicians/associates shall be scheduled various hours and days as necessary to support the needs of the business.

1. For technical operations there will be two groups, based on schedule groups, which will defined by the Company on the first of each month:
Group 1, which will consist of the top 40% technicians based on seniority in the schedule group, who will work a regular Monday through Friday schedule, unless a technician voluntarily agrees to opt out of this percentage; and
Group 2, which will consist of the bottom 60% technicians based on seniority in the schedule group, who will work a regular Tuesday through Saturday schedule.
2. For support operations, associates will be required to work various hours and days as necessary to support the needs of the business.
3. Trading of Shifts: Technicians/associates may choose to trade shifts by mutual agreement between employees and shall not be subject to overtime rates of pay (i.e., the trading of shifts will be done in such a manner so that costs to the Company will not be increased). Such trading of shifts shall be done within the same schedule group and both technicians/associates must have the same skill profile. In addition, the request shall be made at least two weeks prior to the beginning of the requested work week and requires the approval of management.

C. Changes. The Company retains the right to implement an alternative schedule other than the 8 hour 5 day schedule, to increase or decrease the required hours per day and per week, and to change the starting and/or stopping times of the work day, as well as the starting and/or stopping times of the workweek. The Company also retains the right to schedule full-time technicians/associates for less than a forty (40) hour week and for less than an eight (8) hour day as business needs dictate. Continued employment is dependent upon a technician/associate's availability to work the scheduled hours. In the event that weather conditions inhibit the ability to perform job functions or there is no additional work available individuals will be required to end the workday at the supervisor's direction.

Section 2. Overtime Pay

Overtime will be paid at the rate of time and one-half (1-1/2) the technician/associate's regular hourly rate for all hours worked in excess of forty (40) hours a week. Overtime shall not be paid more than once for the same hours worked. The Company will follow national policy as to whether paid time (but not worked) will count toward the calculation of overtime.

Section 3. Daily Unscheduled Overtime

- A. Daily unscheduled hours are those hours that may be required of technicians/associates in excess of their regularly scheduled hours and will result in overtime pay provided the technician/associate works more than forty (40) hours within the scheduled week.
- B. Technicians/Associates must contact their routing/technical manager with all potential reschedules by 2:00 p.m. (Mountain Time). The routing office or technical manager, after a discussion with the technician/associate, will make an attempt to meet the technician's/associate's needs. The routing office or technical manager will attempt to redistribute any remaining calls. If the routing office or technical manager is unable to meet the technician's/associate's needs, management will make the final decision whether to run the remaining calls, or to reschedule the remaining calls. If the technician/associate can arrive at the call before his/her scheduled ending time, the technician/associate must report to the call. In addition, should a customer refuse to be rescheduled, the technician/associate must report to the call. At no time shall a technician/associate be required to work more than eleven (11) hours in one day except in rural exception areas.

Section 4. Scheduled Overtime

Scheduled overtime hours are those hours in excess of forty (40) hours scheduled on the sixth and/or seventh consecutive work day within the technician's/associate's work week that are known and scheduled a day in advance. Scheduled overtime hours will be offered to the qualified technicians/associates as determined by the Company in the industry and geographical area needed. Such overtime will be communicated by SST or phone call with an answer due by close of business the same day; if a technician/associate fails to respond by SST or return phone call, they will be deemed to have accepted the overtime. If an insufficient number of technicians/associates accept overtime to meet the needs of the business, management will mandate by the inverse order of their seniority, the junior qualified technicians/associates to work such overtime, subject to violations of the National Attendance Policy currently in effect. Efforts will be made to accommodate technicians/associates with an emergency situation.

Section 5. Rest and Meal Periods

All technicians/associates shall receive a fifteen (15) minute paid rest period for each four (4) hours worked. Technicians/Associates working in excess of five (5) hours in one day are required to take an unpaid meal period. Meal periods will be one half (1/2) hour. The meal period must be started within five (5) hours of starting the day's schedule. Rest periods and unpaid meal periods will be taken at the appropriate times during the workday. Rest periods and/or unpaid meal period may not be taken at the beginning or end of the workday. Rest periods must not be taken in conjunction with the meal period. Should a technician/associate travel to a location to have their rest period or meal period, such time spent traveling is considered part of the rest or meal period, and is not compensated.

Section 6. Call In Hours

A minimum of three (3) hours pay or work shall be given any full-time, full-time advantage or part-time technician/associate called in to work, on a voluntary basis, at the Company's request. This minimum does not apply to any technician/associate who is unable, for personal reasons, to work the required minimum.

Section 7. Standby

The Company may create a Standby Schedule to cover immediate customer demands that occur on Mondays and Saturdays. The Company will make an annual Standby Schedule where technicians/associates may volunteer, based on seniority, for preferred standby days. The standby schedule will be reviewed every six (6) weeks for potential updates. Should a technician/associate volunteer for standby, they will receive one hour of premium pay (time and a half the technician's/associate's regular straight time rate) per day that they are scheduled on standby. This premium is paid whether or not work is performed. If the technician/associate is required to work, notice will be made by 9:00 a.m., and hours worked on that standby day are to be compensated at the overtime rate, regardless of whether such time is under or over 40 hours in the workweek.

ARTICLE XI SENIORITY

Section 1. Seniority Date

For the purpose of this article, seniority shall date from the technician's/associate's date of employment in his/her current bargaining unit position. Seniority shall be broken if the technician/associate quits, is laid off for a period in excess of six (6) months for Part-time technicians/associates with a year or more service or one (1) year for Full-time technicians/associates, fails to return to work upon recall from layoff, fails to return to work at the end of a company approved leave of absence, is absent for two (2) consecutive scheduled work days without notifying the Company unless an explanation satisfactory to the Company is given by the employee, or is discharged for cause.

Seniority shall be distinguished from "continuous service" and "adjusted service date" as used by the company. All company benefits and policies and eligibility therein shall be based on the technician's/associate's "adjusted service date" and/or "continuous service" with the Company.

Section 2. Principle of Seniority

The Company recognizes the principle of seniority in filling vacancies, scheduling, determining layoffs and reduced hours, recall and in making promotions by job class, location, scheduled group and capacity area. However, seniority will only govern where skill, ability and performance are substantially equal. Preference for promotion to all vacancies and new

positions will be given to employees currently in said location, by scheduled group and/or capacity area. Technician/Associates bidding for new positions must be qualified for the position to be given preference for the position over outside qualified candidates.

In the case of layoffs, the Company will ask for volunteers first. Notice of layoff will be given to the technicians/associates and the Union by the end of the business day on Thursday, prior to the week of the layoff.

Section 3. Posting

Job vacancies will be posted for a period of five (5) calendar days. An effort will be made to fill vacancies within fifteen (15) calendar days of date of posting. A posting can be removed anytime before it is filled and be declared null and void. It is agreed that during a technician's/associate's absence (i.e., short-term illness or vacation) the steward may sign said bid sheet for the absent technician/associate if the absent technician/associate has notified management in writing that said technician/associate is interested in the job.

Section 4. Awarding Bids

Technicians/Associates who are selected for promotion under the bidding procedures have one hundred twenty (120) calendar days to decide whether to remain on the new job or to return to their previous job. Management may, within the same one hundred twenty (120) day period, remove said technician/associate from the bid and return him or her to the original job.

Section 5. Part-time Laid Off First

In the event a layoff or reduction of hours becomes necessary, part-time technicians/associates will be laid off or reduced in hours before full-time technicians/associates to extent possible per the Company's determination while still maintaining adequate coverage for customer service.

Section 6. Bumping

Full-time technicians/associates subject to layoff in their scheduled group and capacity area may claim any remaining part-time hours in their scheduled group and capacity areas. Full-time technicians/associates who choose part-time employment will be eligible for benefits in accordance with Company policy for part-time status.

Section 7. Employment Opportunity

All technicians/associates will have the opportunity to cross-train in another category once they have proficiently exhibited ability in servicing a majority of the appliances in their present category. Appropriate technical courses must be successfully completed prior to any cross training.

Section 8. Recall Rights

a. No new hiring will be done in a work group or capacity area until all former technicians/associates in that work group or capacity area on layoff are notified first.

b. The Company will notify, by the quickest means available, any technician/associate recalled from layoff. Once notified, recalled technicians/associates drawing unemployment

compensation shall report back to work on the date requested but may not be required to return on the day notified unless sufficient notice was provided to work a complete schedule. Technicians/Associates on lay-off who are not drawing unemployment compensation may have up to ten (10) working days to report back to work. Such times may be extended with approval by management. The Company may assign less senior technicians/associates to perform the available work until such time as qualified technicians/associates on layoff return to work without violating the seniority list.

ARTICLE XII RATES OF PAY

Rates of pay are set forth in Exhibit "A".

ARTICLE XIII BENEFIT PROGRAM

Section 1.

The Company agrees that all eligible technicians/associates covered by this Agreement will be eligible to participate in the Company's benefit program as currently administered and periodically amended, unless a particular benefit is specifically modified in this Agreement. Should the Company, on a national basis, amend, modify or terminate these benefits, then such amendments, modifications or terminations shall be instituted with respect to technicians/associates covered by this Agreement. The Company agrees to notify the Union IBEW Local 111 of any subsequent amendments, modifications or terminations in the Company benefit program. The Company agrees not to change any national program that affects only the technicians/associates covered under this Agreement. If the Company decides to make such a change, said change will be negotiated with the Union before any such change is implemented.

Section 2. In the event the Company decides to conduct a layoff as that term is defined in the Company's National Program with respect to [name the program], the Company will notify the union. Upon request, the parties will bargain over whether a Service Allowance or Transition Pay will be granted and the extent of such allowance or pay, if any. Such bargaining will not constitute a reopening of the contract and will not exempt either party from the requirements of the No-strike/No-lockout clause.

Section 3. Personal Holidays Administration

If eligible, full-time technicians/associates must schedule personal holidays at the time vacation is scheduled. Personal holidays may only be changed by mutual agreement between the technician/associate and management at least two (2) weeks before the scheduled date. Full weeks of vacation take precedence over personal holidays within the full-time seniority list. Personal holidays must be taken within the fiscal year earned and may not be carried over into the next fiscal year.

Section 4. Call-In Pay

Full-time technicians/associates called in to work on any of the Company recognized legal holidays (New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day) shall be provided a minimum of three (3) hours pay or work at time and one-half their hourly rate in addition to their holiday pay.

Full-time technicians/associates will have priority in filling holiday schedules based on their seniority provided they have the ability to perform the work. Technicians/Associates working holiday schedules will receive holiday pay in accordance with this Section.

Section 5. Holiday Schedules Administration

If eligible, holiday schedules will be offered to full-time technicians/associates on the basis of seniority. In the event the Company is unable to fill the holiday schedules by voluntary means, qualified part-time technicians/associates shall be required to perform the holiday work in the inverse order of their seniority. In the event there are not enough part-time technicians/associates to fill holiday schedules, qualified full-time technicians/associates shall be required to fill said schedule in the inverse order of their seniority.

Part-time technicians/associates called to work on any of the Company recognized legal holidays (New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day) shall be provided a minimum of three (3) hours pay or work at time and one-half their hourly rate in addition to any holiday pay for which they might qualify.

Section 6. Vacation Administration

(a) If eligible, technicians/associates will be permitted to choose their vacation dates based on seniority by schedule group (Exhibit C). Vacation scheduling will be by seniority for each schedule group, with the most senior technician/associate picking all of his/her vacation, then proceeding to the next most senior technician/associate to pick all of his/her vacation, and so on. With the exception of the blackout periods contained in subsection (b) below, the maximum number of technicians/associates in the District off at any one time for a combination of vacation and personal holidays are dependent upon whether it is "Summer Prime Time," "Holiday Prime Time," or "Non Prime Time."

1. Summer Prime Time shall be defined as Memorial Day through Labor Day.
2. Holiday Prime Time shall be defined as the Week of Thanksgiving, the week after Thanksgiving, the week before Christmas, the week of Christmas, and the week after Christmas.
3. Non-Prime Time shall be defined as all other time except that listed as Summer Prime Time and/or Holiday Prime Time.

Allowances For 2013

Maximum Allowed Technicians Off Based on Schedule Group Size			
Schedule Group Size	Summer Prime	Holiday Prime*	Non-Prime
Up through 14	1	1	1
15 through 19	1	1	5
20 through 29	1	2	5
30 through 34	2	2	5
35 through 49	2	3	5
50 or more	3	4	5

*Cook/Dish technicians – 0 (zero) for all Schedule Group sizes

Allowances For 2014 and Beyond

Maximum Allowed Technicians Off Based on Schedule Group Size
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Schedule Group Size	Summer Prime	Holiday Prime	Non-Prime
Up through 14	1	1	1
15 through 19	2	2	5
20 through 29	2	3	5
30 through 34	3	3	5
35 through 49	3	3	5
50 or more	3	4	5

- (b) Black Out Periods. For the week that includes Memorial Day, lawn and garden technicians/associates will not be allowed to take vacation. For the month of July, all refrigeration technicians/associates (all technicians/associates profiled for refrigeration) will not be allowed to take vacations; however, refrigeration technicians/associates with more than 25 years of continuous service can request one day off (based on seniority, maximum one technician/associate a day) during the blackout period.
- (c) Full weeks of vacation shall take precedence over personal holidays and daily vacation requests.
- (d) Exceptions to the foregoing may be allowed with management approval.
- (e) The procedures for vacation selections shall be as follows. Vacation selection slips will be given to technicians/associates between October 1 and October 31. The slips must be returned to the Company within fifteen (15) days of issue. The Company will return the approval slips no later than December 15. If the technician/associate fails to return his slip within fifteen (15) days of the original issue date, the technician/associate shall have no right to bump a less senior technician's/associate's vacation request and may only take vacation time during the weeks available. A vacation chart shall be provided to each technician/associate by schedule group and the vacation days and personal holidays selected.
- (f) When a holiday falls within a technician's/associate's vacation period, an additional day of vacation will be granted. If the holiday falls during Prime Time the vacation day will be scheduled during Non-Prime Time season. The additional day of vacation may be scheduled at any time with management approval. Vacation days must be taken consecutively in weekly increments unless authorized by management.
- (g) Vacations will be scheduled by seniority in each schedule group. No technician/associate may take more than two (2) weeks of vacation during the prime vacation period. Exceptions to this may only be made with management approval. The two (2) week restriction will not apply outside the Prime Vacation period, except if more than one (1) technician/associate from each schedule group requests the same vacation time, approval must be obtained from management.
- (h) In scheduling vacations, full weeks of vacation will take precedence over personal holidays. Full-time vacations take precedence over part-time vacations.
- (i) When employment is terminated with the Company, a technician/associate shall be paid for vacation earned but not taken.
- (j) Technicians/Associates are required to use accrued personal holidays when they take an FMLA leave of absence.
- (k) Vacation requests that are authorized by management prior to the work week are considered "pre-approved." All pre-approved vacation time will be paid at the hours

requested up to eight (8) hours per day. Vacation requests that are authorized by management after the work week has begun will be subject to allocation based on hours actually worked, with total hours paid not to exceed forty (40) hours for the work week.

Section 7. Part-time Support Associates

Any part-time support associates who work forty (40) hours or more per week for sixteen (16) consecutive weeks will have the choice of becoming a full-time advantage associate.

ARTICLE XIV JOB DESCRIPTIONS

The Company agrees that all technicians/associates covered by this Agreement will be under the Company's national job descriptions as currently administered. Should the Company, on a national basis, amend, modify or terminate these job descriptions, and then such amendments, modifications or terminations shall be instituted with respect to technicians/associates covered by this Agreement. The Company agrees to notify the Union IBEW Local 111 of any subsequent amendments, modifications or terminations in the Company job descriptions. The Company agrees not to make any changes to the job descriptions where such changes would apply only to those technicians/associates covered under this Agreement without first giving notice and negotiating over such changes before they are implemented.

ARTICLE XV GENERAL CONDITIONS

Section 1. Safety

The parties recognize the importance of safety. The Company and the Union will cooperate in the objective of eliminating accidents and health hazards. The technician/associate has the right to decide whether or not the consumer domicile is suitable to perform the required repair as described on the Service Order. The Company shall make reasonable provisions and work rules for the health and safety of the technicians/associates. The Company, the Union and the technicians/associates recognize their obligations and/or rights under existing Federal and State laws with respect to safety and health matters.

Section 2. Tools

The Technician/Associate will provide their own hand tools, as outlined in Exhibit B, and the Company will provide specialty tools necessary in the performance of their work. Technicians/Associates are responsible to reasonably safeguard assigned tools, equipment and supplies from theft, loss and abuse. Misuse or abuse of all tools, equipment and supplies may be considered just cause for discipline, up to and including discharge. Lost tools will be the responsibility of the technician/associate to replace. The Company will replace all technician's/associate's personal hand tools that are worn or damaged as needed, but the amount is not to exceed \$150.00 each contract year.

Section 3. Uniforms

In activities where the Company requires the wearing of a uniform, the Company will supply such uniforms without cost to the technicians/associates. Additional clothing requirements that are not part of the uniform will be the responsibility of the technician/associate. All technicians/associates shall be required to wear the issued uniforms at all times (and only) while at work. The provisions of the Sears Style Manual, which may be amended from time to time, will apply to all of the technicians/associates.

Section 4. Background Checks and Driving Records

- (a) Sears retains its right to perform a background check on a technician/associate at anytime during the course of employment. Technicians/Associates must sign the Employment Screening Release Form as a condition of their continued employment.
- (b) If the results of the background check information received could have an adverse impact on the technician's/associate's employment status, the technician/associate will be supplied a copy of the report. The technician/associate will be afforded an opportunity to review the report to ensure that Sears has not received inaccurate or incomplete information. No final decision regarding the technician's/associate's employment will be made until at least five (5) business days after providing the report to the technician/associate. This will allow the technician/associate an opportunity to review and respond to the information and offer any information that he/she would like Sears to consider on his/her behalf.
- (c) The Company retains the right to discipline, discharge or place on an unpaid leave of absence a technician/associate based upon information received from a background check.
- (d) The Company retains the right to perform a driving record check on a technician/associate at anytime during the course of employment. At the minimum, driving records will be checked on an annual basis. The technician's/associate's driving record must be in compliance with the "Sears Product Repair Services Driver's Operating and Safety Manual," including but not limited to the MVR policy, as currently administered and periodically amended from time to time.

Section 5. Trucks

- (a) The assignment of Company vehicles shall rest solely with the Company. Technicians/Associates eligible for the assignment of a Company vehicle must be in "tech routable" status. Technicians/Associates assigned vehicles shall not permit any unauthorized passengers access to the vehicle and shall keep the vehicle locked at all times when unattended. Any unauthorized use of Company owned vehicles may be cause for immediate termination.
- (b) Each technician/associate assigned the use of a Company owned vehicle must return the vehicle to the Company designated area at the end of the day unless otherwise approved by management. Technicians/associates shall be required to: provide reasonable security, maintain the satisfactory appearance of the interior and exterior of the vehicle, maintain proper routine preventive maintenance schedules, and report to management the need for any non-routine mechanical maintenance. There shall be no smoking in Company vehicles. Company vehicles shall not be modified or equipped except as authorized by management. Tampering with monitoring devices attached to or associated with the truck, including but not limited to GPS communication devices or other asset tracking equipment, may be grounds for immediate termination of employment. Technicians/Associates may be required to return the Company owned vehicle prior to vacation or other leave of absence including but not limited to layoff. The Company will provide transportation for the drop off or the pick up of the vehicle.
- (c) All technicians/associates driving Company vehicles are required to maintain and provide proof of a valid driver's license and to promptly report all traffic violations and the loss of driving privileges to management.

- (d) All maintenance of Company-owned vehicles shall be performed on Company time and at Company expenses. Normal preventive maintenance shall be performed in a regular schedule per the manufacturer's recommendations according to Company policy.
- (e) The operation of Company vehicles is subject to the "Sears Product Repair Services Driver's Operating and Safety Manual".

Section 6. Home Dispatch Program

All technicians/associates will participate on a voluntary basis in the national Home Dispatch Program, as currently stated in Company policy and from time to time amended.

Section 7. Scheduled Groups

The parties agree to the Scheduled Groups as set forth and incorporated herein as Exhibit "C".

Section 8. Meetings

Technicians/Associates required to attend Company meetings shall be paid in accordance with the terms of this Agreement including applicable overtime.

Technicians/Associates who attend Company investigatory meetings in their capacity as a union steward or union representative will be paid for such time at their straight time hourly wage.

ARTICLE XVI DRUG FREE WORK PLACE

Technicians/Associates are expected and required to report to work on time and in an appropriate mental and physical condition to work.

The unlawful manufacture, distribution, dispensation, possession or use of a controlled substance on Company premises or while conducting company business off company premises are prohibited. Violation of this policy may result in disciplinary action, up to and including termination.

Technicians/Associates must, as a condition of employment, abide by the terms of the current Sears Drug Free Workplace Policy, which may from time to time be amended without additional negotiation between the parties. Technicians/Associates must report any conviction for violating any federal, state or local law or regulation pertaining to the unlawful use of a controlled substance, whether occurring on or off Company premises or before or after conducting Company business. A report of the conviction must be made within five (5) days after the conviction.

ARTICLE XVII SAVINGS CLAUSE

In the event any provision of this Agreement shall be declared unlawful under any existing or future State or Federal Law, the provision declared illegal shall be considered null and void and the Employer and the Union will, within ten (10) days thereafter, meet for the purpose of negotiating changes made necessary by such State or Federal Law. The remainder of this Agreement shall remain in full force and effect.

ARTICLE XVIII COMPLETE AGREEMENT

It is agreed that during the negotiations leading to the execution of this Agreement, the parties have had full opportunity to submit all items appropriate for collective bargaining and that this Agreement incorporates the full and complete understanding between the parties, superseding and invalidating any prior practices or understandings, whether oral or written, not specifically provided for in this Agreement.

ARTICLE XIX TERMINATION CLAUSE

This Agreement shall remain in full force and effect through February 14, 2016, unless extended in writing by mutual agreement of the parties hereto.

Notice to renegotiate this Agreement shall be in writing and shall be given at least sixty (60) days prior to the above date by either of the parties to this Agreement. During the sixty-(60) day period, the parties shall meet for the purpose of negotiating a new Agreement concerning rates of pay, hours of work, and other conditions of employment.

Any notice given under this Agreement shall be by Certified Mail and, if by the Employer, be addressed to International Brotherhood of Electrical Workers Local Union 111, 5965 E. 39th Avenue, Denver, CO 80207 and, if by the Union, be addressed to Sears, Roebuck and Co., Labor Relations Department, 3333 Beverly Road, Hoffman Estates, IL 60179.

IN WITNESS THEREOF, WE, the undersigned duly authorized representatives of the parties, agree and acknowledge:

Sears, Roebuck & Company

IBEW Local 111

For The Company:

For The Union:

Susan Rapp

Michael Byrd

Angie Alvarado

Duane Lawlor

Luis Cardenas

Timio Archuleta

Rick Cook

Skip Murphy

EXHIBIT A – Wage Rates

1) Technical Workforce.

- a) Effective from November 23, 2012, technicians shall be compensated with their current base hourly rate (in effect at date of ratification) plus participation in the Service Quality Members Reward as follows:

Service Quality Member Rewards Pilot	Gold		Silver		Bronze		N/A
	Break Fix Tech	CE Tech	Break Fix Tech	CE Tech	Break Fix Tech	CE Tech	PM Tech
Recall % (3-Month Rolling)	<=5.50%	<=2.5%	>5.50% and <=7.00%	>2.5% and <=3.40%	>7.00% and <=8.40%	>3.40% and <=4.50%	<=4.50%
Minimum Completed Calls (3-Mo)	180	120	180	120	180	120	300
CSAT Hurdle (VTP%, 3-Mo)	95%	95%	95%	95%	95%	95%	95%
Sears Paid (Call Close 30)	\$5.00	\$5.00	\$2.50	\$2.50	\$1.25	\$1.25	\$0.25
W/PA (Call Close 10, 20, 50, Excludes PM Check)	\$3.00	\$3.00	\$1.50	\$1.50	\$0.75	\$0.75	\$0.25
PM Check (Not Created Same Day)	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25
Declined Estimates (Call Close 30)	\$0.00	\$0.00	\$0.00	\$0.00	\$1.00	\$1.00	\$0.00

Decommissions apply for all recall events.

- b) Wage Reopeners. As of January 15, 2014 and as of January 15, 2015, the Agreement will be reopened solely for the purpose of negotiating the wages or equivalent compensation to be paid to the bargaining unit technicians/associates in the second and third years of the Agreement, respectively. If the parties are unable to reach agreement on the wages or equivalent compensation to be paid to technicians/associates in the second and/or third year of the Agreement on or before February 15 of 2014 and/or February 15 of 2015, the parties will be exempted from the No-Strike, No Lockout Article of the parties' Agreement until such time as the parties reach agreement as to wages or equivalent compensation to be paid in the second and/or third years of the Agreement, provided that such economic weapons may be used solely with respect to the issue of wages or equivalent compensation to be paid technicians/associates during the second and/or third year of the Agreement and not to seek any other changes in the Agreement or the technicians'/associates' terms and conditions of employment. Once agreement is reached on wages or equivalent compensation to be paid in the second year of the Agreement, the parties shall be bound by the No-Strike, No Lockout Article of the parties' Agreement until February 15, 2015. Once agreement is reached on wages or equivalent compensation to be paid in the third year of the Agreement, the parties shall be bound by the No-Strike, No Lockout Article of the parties' Agreement until the date set forth in the Termination Clause.

- c) Incentives for sales of value added service products. Effective from the date of ratification for the term of this labor contract, technicians shall also be eligible for the following incentives based upon the sale of value added service products:

Technician PA	6% of PA Sale 2% of PA Sale if at or over \$4.00/call for the month 2% of PA Sale on renewal (expiring within 30 days)
Water Filter	\$4 FDA ("Fixed Dollar Amount") per filter sale
VASP Parts	\$1 FDA < \$20 \$3 FDA > \$20
Home Appliances	\$25 per appliance sale
HVAC Air Duct Cleaning	\$20 per referral sale
Dryer Vent Cleaning	\$10 per referral sale
Carpet, Upholstery & Tile Cleaning	\$10 per referral sale
Garage Door Sales/Installs	\$25 per referral sale
Garage Door Opener Installs	\$5 per referral sale
HVAC Appointments Conducted	\$25 per appointment
HVAC Installed Sales	\$75 per installed sale
Other Home Improvement Appointments Conducted	\$25 per appointment
Other Home Improvement Installed Sales	\$75 per installed sale
HVAC Integrated Districts Installs	6% of sale

- 2) Non-Technical Workforce.
- Effective February 15, 2013, all support associates will be given a wage adjustment of \$.36 per hour.
 - Effective the second pay period of February, 2014, support associates shall be compensated with a base hourly rate which may be adjusted based upon merit consistent with the Company's Annual Review process.
 - Effective the second pay period of February, 2015, support associates shall be compensated with a base hourly rate which may be adjusted based upon merit consistent with the Company's Annual Review process.
 - The start rate for support associates in the AO6 classification shall not be less than \$11.20/hour and in the MO5 classification shall not be less than \$10.80 per hour.
- 3) Promotional Increases. Technicians/Associates who are promoted from one classification to a higher classification shall receive a 4% increase to their current base rate of pay, effective upon completion of training.

EXHIBIT B – Tool List

1/4" Drive 1/2" Socket	Crescent wrench
1/4" Drive 1/4" Socket	Drill 3/8 " Corded
1/4" Drive 11/32" Socket	Drill Bit Set
1/4" Drive 3/16" Socket	Drop Light
1/4" Drive 3/8" Socket	Extension Cord 10' and 25'
1/4" Drive 5/16" Socket	File Set
1/4" Drive 7/16" Socket	Flashlight
1/4" Drive 7/32" Socket	Hacksaw
1/4" Drive 9/32" Socket	Hammer, 2 or 3Lb
1/4" Drive Extension 6"	Hammer, Ball Peen
1/4" Drive Ratchet	Heat Gun
1/4" to 3/8" Socket adapter	Inspection Mirror
3/8" Drive 15/16" Socket	Level 6"
3/8" Drive 1/2" Socket	Magnetic Nut Setters at least 1/4 & 5/16
3/8" Drive 11/16" Socket	Magnetic Pick -up tool
3/8" Drive 3/4" Socket	Magnetic tip screwdriver
3/8" Drive 3/8" Socket	Multimeter
3/8" Drive 5/8" Socket	Nut drivers 1/4" & 5/16"
3/8" Drive 7/16" Socket	Outlet tester
3/8" Drive 9/16" Socket	Pliers Regular
3/8" Drive Extension 6"	Pliers, Channel Locks (9.5")
3/8" Drive Ratchet	Pliers, Long nose/needle nose
Allen Key Set - Metric	Pliers, Side Cutting-wire cutters
Allen Key Set - SAE	Punch & Chisel Set
Combo Wrench 1/2	Putty Knife 1-1/4"
Combo Wrench 1/4	Screwdriver Flat-Blade Set
Combo Wrench 11/16	Screwdrivers Phillips #0, #1, #2
Combo Wrench 11/32	Screw gun
Combo Wrench 3/16	Tape Measure
Combo Wrench 3/4	Tool Bag
Combo Wrench 3/8	Torx Driver Set (Tamper Resistant / security)
Combo Wrench 5/16	Utility Knife
Combo Wrench 5/8	Vise Grips
Combo Wrench 7/16	Wire Strippers / Crimping tool
Combo Wrench 9/16	

EXHIBIT C – Scheduled Groups

The Company will allow all current Cook/Dish technicians/associates to be trained to be either a Laundry technician or a Refrigeration technician; and the Company will train all current Laundry, Refrigeration and HE technicians to be able to fully handle Cook/Dish service calls. It shall be a condition of employment for all technicians (except LG technicians) to be able to fully handle Cook/Dish service calls by January 1, 2014; exceptions to this requirement may be made in writing by mutual agreement of the parties. Where an exception is not made, adverse employment action will be in accordance with the principals of just cause.

Scheduled Groups (current through 2013)

Casper	Fort Collins	Denver Metro	Colorado Springs	Support
All Technicians	All Technicians	Laundry & HE	All Technicians	All Support
		Cook/Dish & LG		
		Ref/HVAC		

Scheduled Groups (2014 and beyond)

Casper	Fort Collins	Denver Metro	Colorado Springs	Support
All Technicians	All Technicians	Laundry & HE	All Technicians	All Support
		LG		
		Ref/HVAC		